



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING



ISMAEL AHMED
DIRECTOR

March 18, 2008

The Honorable Bill Hardiman, Chair
Senate Appropriations Subcommittee on DHS
Michigan State Senate
Lansing, MI 48933

The Honorable Dudley Spade, Chair
House Appropriations Subcommittee on DHS
Michigan House of Representatives
Lansing, MI 48933

Dear Senator Hardiman and Representative Spade:

Section 902(3) of 2007 Public Act No. 131 requires the Department of Human Services (DHS) to submit semi-annual reports to the legislature on expenditures and improvements made as a result of this section of the appropriations act.

Please accept this letter as the DHS' first semi-annual report for fiscal year 2008. The Michigan Arrearage Collection Special Project which provided the funding for improvements to the Michigan Child Support Enforcement System (MiCSES) ended in FY 2006. All of the funds generated by this one time project were spent in FY 2006 and the first two quarters of FY 2007. No funds remain in FY 2008.

With regard to improving child support collections, DHS now has a contract in place with Public Consulting Group (PCG) to enhance collections in Muskegon County. This pilot project with the Muskegon County Friend of the Court (FOC) refers to PCG all child support cases that have not received a payment in over 90 days. Payments to PCG will be based on the amount of increase in TANF recoveries generated through this pilot. Once the pilot is completed, an evaluation of the project will determine what changes, if any, are necessary and if the project should be expanded to other counties. Later in the fiscal year we expect to have our first opportunity to review results.

The Office of Child Support is also working with the Department of Management and Budget on a Request For Proposal for another pilot project for collection of child support arrearages.

Hon. Bill Hardiman
Hon. Dudley Spade
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If you have any questions, please contact John Sorbet, chief administrative officer, DHS, at (517) 373-7787.

Sincerely,

A handwritten signature in black ink that reads "Ismael Ahmed". The signature is written in a cursive style with a large, stylized 'I' and 'A'.

Ismael Ahmed

c: Senate and House Appropriations Subcommittees on DHS
Senate and House Fiscal and Policy Offices
State Budget Director